

Executive Summary

- Tourist arrivals to Utah decreased to 17.3 million in 2001, down -2.3% from 2000's 17.7 million. The decrease was part of a nationwide downturn in tourism as a result of the terrorist attacks of 9/11 and a slumping economy.
- Total spending by travelers decreased by -2.4% in 2001, totaling \$4.15 billion. Taxable sales figures from five key industry sectors (transportation, eating & drinking, hotels, auto rentals and amusement & recreation) provide additional evidence of weakening in Utah's tourism economy. The 1.9% tourism sector growth rate in 2001 is significantly lower than the 6% to 7% average of the last five years. 2001 also marked the first time in seven years that growth in tourism did not exceed the statewide growth rate (1.9% vs. 2.4%)
- Total state and local tax contributions from traveler spending totaled \$332 million in 2001. Tax revenues from traveler spending provided tax relief of \$475 per Utah household. Local tax revenues accounted for \$86 million while \$246 million accrued to state tax coffers.
- County-based tourism tax collections (transient room tax, restaurant tax, car rental tax) totaled nearly \$50 million in 2001, up nearly 3% over 2000. Six counties (Salt Lake, Summit, Utah, Washington, Davis and Weber) accounted for 86% of total tourism tax revenues. However, year-over comparisons reveal growth and declines in areas throughout the state.

	Total Collections	Statewide Growth Rate	Positive Growth	Negative Growth	Strong Performers
Transient Room Tax	\$17.4 Mil.	1.9%	13 Counties (45%)	16 Counties (55%)	Morgan (104%) Sanpete (37%) Duchesne (9%)
Restaurant Tax	\$21.9 Mil.	4.3%	21 Counties (84%)	3 Counties (12%)	Rich (93%) Uintah (14%) Wasatch (13%)
Car Rental Tax	\$9.2 Mil.	0.0%	2 Counties (25%)	6 Counties (75%)	Weber (55%) Salt Lake (3%)
COMBINED TOTAL	\$49.7 Mil.	2.6%	18 Counties (62%)	11 Counties (32%)	Rich (45%) Sanpete (18%) Morgan (17%) Beaver (17%)

- Despite declines in the number of visitors and total visitor spending, the number of tourism-related jobs increased during 2001. The approaching 2002 Olympic Winter Games supported strong job growth in the lodging and amusement and recreation sectors. An estimated 3,000 new tourism-related jobs were created in Utah in 2001, bringing the statewide total to 128,500. Salt Lake County led the way with over 40,000 direct tourism-related jobs. Summit, Utah, Davis, Washington and Weber Counties each accounted for over 4,000 tourism-related jobs.
- The 2.4% job growth in the tourism sector surpassed total statewide job growth of 0.9%. Tourism-related jobs account for almost 12% of total nonfarm jobs in Utah (one in every nine jobs). The total number of jobs in the tourism sector surpassed the total number of jobs in manufacturing during 2001, making tourism the fourth largest employment sector in the state, following services, trade, and government.
- Although the top six counties account for nearly 80% of tourism-related jobs, many rural Utah counties are highly dependent on tourism. Travel related jobs account for more than a fifth of total nonfarm employment in ten Utah counties: Daggett, Garfield, Grand, Summit, Rich, Kane, Beaver, Wayne, Wasatch, and San Juan Counties.

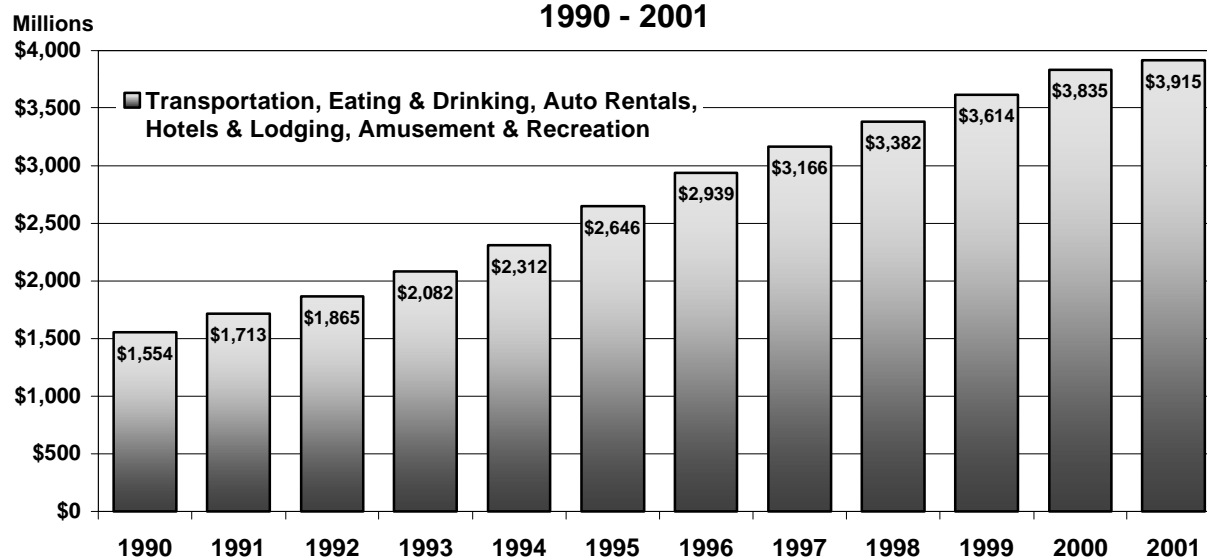
Statewide Performance Indicators

SUMMARY OF UTAH TOURISM ACTIVITY - 2001			
Economic Indicators	2001	2000	% Change
Total Non-Resident Visitors	17.3 Million	17.7 Million	-2.3%
U.S. Visitors	16.7 Million	17.1 Million	-3.3%
International Visitors	630,000	700,000	-10.0%
Total Tourism Spending	\$4.15 Billion	\$4.25 Billion	-2.4%
Total Tourism-Related Tax Revenues	\$332 Million	\$340 Million	-2.4%
State Tax Revenues	\$246 Million	\$252 Million	-2.4%
Local Tax Revenues	\$86 Million	\$88 Million	-2.3%
Total Tourism-Related Employment	128,500	125,500	2.4%
Direct Tourism Employment	72,000	70,400	2.3%
Indirect Tourism Employment	56,500	55,100	2.5%
Tax Indicators	2001	2000	% Change
Total Tourism Tax Revenues	\$53.3 Million	\$52.1 Million	2.3%
Transient Room Tax Revenue	\$18.5 Million	\$18.2 Million	2.0%
Restaurant Tax Revenue	\$21.9 Million	\$21.0 Million	4.3%
Car Rental Tax Revenue	\$12.9 Million	\$12.9 Million	-0.1%
Total Gross Taxable Sales (GTS)	\$31.6 Billion	\$32.4 Billion	2.4%
Total Tourism-Related GTS	\$3.9 Billion	\$3.8 Billion	1.9%
Transportation GTS	\$143 Million	\$149 Million	-4.5%
Eating & Drinking GTS	\$1,946 Million	\$1,906 Million	2.1%
Auto Rentals GTS	\$506 Million	\$488 Million	3.6%
Hotels & Lodging GTS	\$597 Million	\$583 Million	2.4%
Amusement & Recreation GTS	\$724 Million	\$714 Million	1.3%
Volume Indicators	2001	2000	% Change
Airline Passengers at Salt Lake Int'l Airport	18.9 Million	19.9 Million	-5.0%
National Park Visitors	4.75 Million	5.2 Million	-9.2%
National Monument & Rec. Area Visitors	5.5 Million	5.6 Million	-3.0%
State Park Visitors	6.1 Million	6.6 Million	-7.3%
Utah Welcome Center Visitors	660,000	732,000	-9.8%
Total Skier Visits	3.0 Million	3.3 Million	-9.3%
Statewide Hotel Occupancy Rate	59.9%	60.9%	-1.0%

SOURCE: Data collected from reporting agencies by the Utah Division of Travel Development

Gross Taxable Sales for Tourism-Related Industries

1990 - 2001



TOURISM-RELATED ECONOMIC AND TAX IMPACTS ON UTAH COUNTIES

SUMMARY - 2001

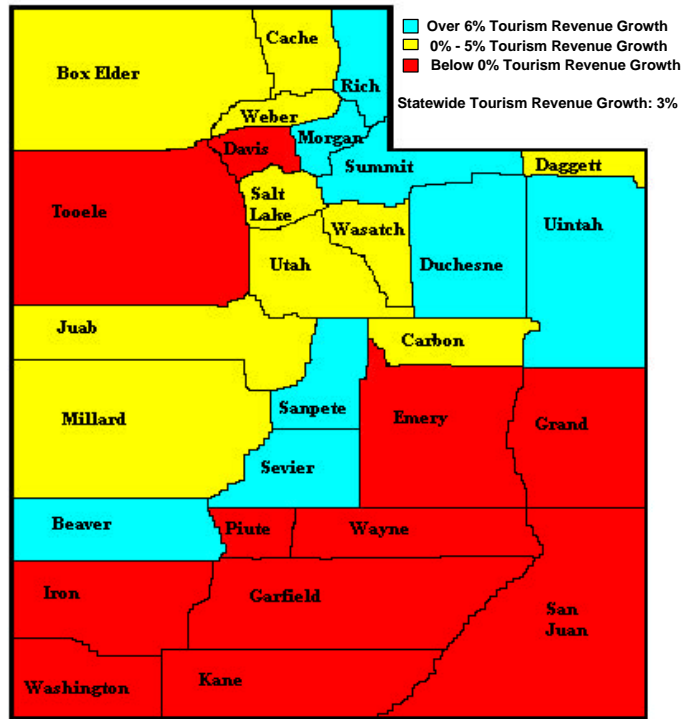
County	Tourism-Related Economic Impacts							Tourism-Related Tax Revenues							
	Spending	% Change	Employment	% Change	Tourism Dependence	Tax Revenues	% Change	Transient Room Tax	% Change	Restaurant Tax	% Change	Car Rental Tax	% Change	Total Tax Revenues	% Change
Beaver	\$23,100,000	-5.7%	459	-1.1%	24.7%	\$480,000	-5.9%	\$88,023	-4.6%	\$19,809	NA	\$0	NA	\$107,832	16.8%
Box Elder	\$35,400,000	-6.6%	705	-1.8%	4.0%	\$737,000	-6.6%	\$80,173	-3.5%	\$294,189	2.0%	\$0	NA	\$374,362	0.8%
Cache	\$72,800,000	-5.2%	1,449	-0.3%	3.4%	\$1,515,000	-5.2%	\$226,991	-3.5%	\$601,694	4.6%	\$0	NA	\$828,685	2.2%
Carbon	\$32,600,000	-2.7%	649	2.2%	7.5%	\$679,000	-2.7%	\$138,921	3.5%	\$163,386	5.4%	\$0	NA	\$302,307	4.5%
Daggett	\$10,500,000	-10.3%	208	-6.3%	48.7%	\$218,000	-10.7%	\$56,567	5.7%	\$15,550	-1.2%	\$0	NA	\$72,117	4.1%
Davis	\$277,600,000	-1.6%	5,521	3.4%	6.3%	\$5,773,000	-1.6%	\$436,783	-4.8%	\$1,787,328	4.1%	\$29,330	-65.4%	\$2,253,441	-0.3%
Duchesne	\$25,300,000	-3.8%	503	1.2%	9.8%	\$526,000	-3.7%	\$27,668	9.2%	\$67,333	12.0%	\$0	NA	\$95,001	10.9%
Emery	\$13,600,000	1.5%	270	6.7%	7.7%	\$282,000	1.4%	\$19,165	-13.2%	\$0	NA	\$0	NA	\$19,165	-13.2%
Garfield	\$50,800,000	-7.3%	1,011	-2.6%	47.2%	\$1,057,000	-7.3%	\$434,922	-11.2%	\$102,201	-14.3%	\$0	NA	\$537,123	-11.8%
Grand	\$96,500,000	-2.7%	1,920	2.2%	45.5%	\$2,008,000	-2.7%	\$786,134	-1.8%	\$213,484	3.7%	\$13,813	-44.9%	\$1,013,431	-1.7%
Iron	\$75,500,000	-3.7%	1,501	1.1%	10.7%	\$1,570,000	-3.7%	\$390,515	-7.4%	\$309,917	2.1%	\$0	NA	\$700,432	-3.4%
Juab	\$18,200,000	1.7%	363	7.4%	13.6%	\$380,000	2.4%	\$57,396	-3.3%	\$74,317	10.1%	\$0	NA	\$131,713	3.9%
Kane	\$44,900,000	-6.5%	894	-1.7%	30.8%	\$935,000	-6.4%	\$270,451	-4.7%	\$79,121	0.1%	\$0	NA	\$349,572	-3.7%
Millard	\$23,000,000	-3.4%	457	1.6%	13.1%	\$478,000	-3.2%	\$73,176	4.4%	\$0	NA	\$0	NA	\$73,176	4.4%
Morgan	\$7,000,000	2.9%	140	8.5%	8.5%	\$146,000	2.8%	\$2,331	103.5%	\$22,243	11.8%	\$38	NA	\$24,612	17.0%
Piute	\$2,000,000	11.1%	40	14.3%	14.3%	\$42,000	10.5%	\$4,434	-13.3%	\$0	NA	\$0	NA	\$4,434	-13.3%
Rich	\$10,000,000	-1.0%	199	4.2%	34.7%	\$208,000	-1.0%	\$52,570	0.5%	\$93,740	93.2%	\$0	NA	\$146,310	45.1%
Salt Lake	\$2,013,500,000	-2.3%	40,049	2.7%	7.4%	\$41,880,000	-2.3%	\$8,528,543	3.6%	\$10,836,559	3.2%	\$9,167,843	2.5%	\$28,532,945	3.1%
San Juan	\$37,400,000	-13.2%	744	-8.8%	19.5%	\$778,000	-13.3%	\$230,996	-6.6%	\$0	NA	\$0	NA	\$230,996	-6.6%
Sanpete	\$21,300,000	-12.0%	424	-7.4%	6.2%	\$443,000	-11.9%	\$48,513	36.8%	\$87,439	9.3%	\$0	NA	\$135,952	17.7%
Sevier	\$33,900,000	-4.2%	675	0.6%	9.4%	\$706,000	-4.2%	\$183,979	6.2%	\$144,123	12.3%	\$1,891	-66.9%	\$329,993	7.4%
Summit	\$332,900,000	0.2%	6,622	5.3%	41.8%	\$6,925,000	0.2%	\$3,215,994	8.7%	\$961,764	6.3%	\$0	NA	\$4,177,758	8.1%
Tooele	\$37,600,000	-1.8%	748	3.0%	6.4%	\$782,000	-2.0%	\$128,664	-7.9%	\$212,787	0.7%	\$0	NA	\$341,451	-2.7%
Uintah	\$43,600,000	-4.6%	867	0.1%	8.8%	\$907,000	-4.6%	\$163,176	0.1%	\$190,412	14.0%	\$3,133	-30.3%	\$356,721	6.6%
Utah	\$308,300,000	-0.8%	6,133	4.2%	4.0%	\$6,413,000	-0.8%	\$950,607	-5.3%	\$2,915,496	7.3%	\$0	NA	\$3,866,103	3.9%
Wasatch	\$47,100,000	-4.3%	936	0.4%	19.9%	\$979,000	-4.4%	\$209,492	-4.0%	\$209,681	13.1%	\$0	NA	\$419,173	3.9%
Washington	\$229,800,000	-1.5%	4,571	3.5%	12.8%	\$4,780,000	-1.5%	\$1,174,808	3.2%	\$925,516	5.0%	-\$58,390	-147.3%	\$2,041,934	-4.7%
Wayne	\$12,800,000	-6.6%	255	-1.9%	23.0%	\$267,000	-6.6%	\$84,445	-16.5%	\$33,448	-13.8%	\$0	NA	\$117,893	-15.8%
Weber	\$212,800,000	-1.6%	4,233	3.4%	4.9%	\$4,427,000	-1.5%	\$506,298	0.1%	\$1,568,066	0.4%	\$90,083	55.3%	\$2,164,447	1.8%
State of Utah	\$4,150,000,000	-2.4%	128,500	2.4%	11.9%	\$86,320,000	-2.4%	\$18,571,734	2.0%	\$21,929,603	4.3%	\$9,247,744	0.0%	\$49,749,081	2.6%

SOURCE: Information was collected from the Utah State Tax Commission and the Utah Department of Workforce Services and adapted by the Utah Division of Travel Development based on economic models developed in cooperation with these agencies as well as the Governor's Office of Planning and Budget, the Department of Community and Economic Development, the University of Utah's Bureau of Business and Economic Research and the Governor's Economic Coordinating Committee.

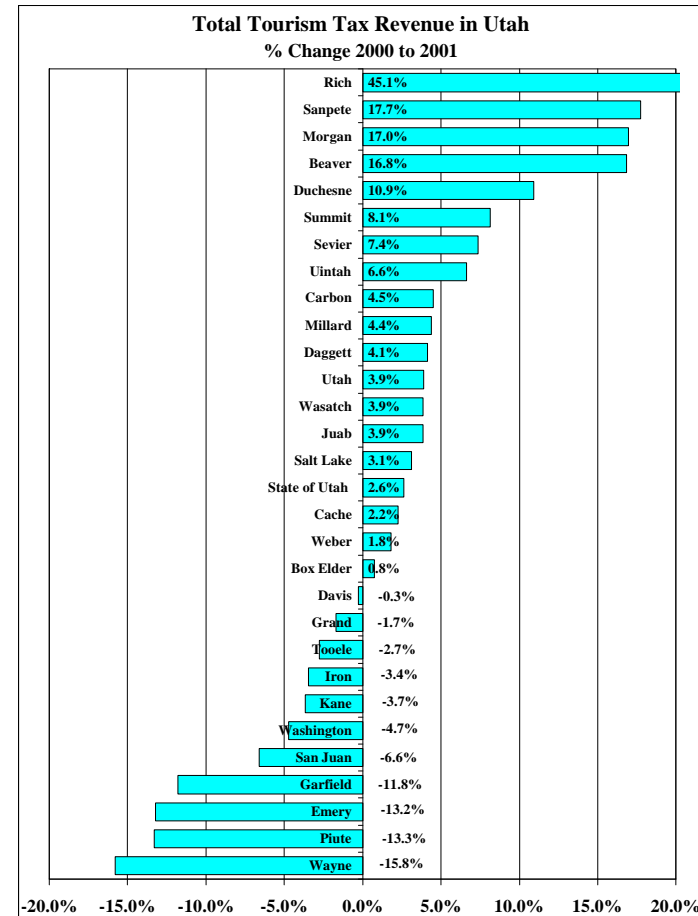
Summary 2001

		2001 Tourism	Percent of			2001 Tourism	Percent of
Rank	County	Tax Revenues	State Total	Rank	County	Tax Revenues	State Total
1	Salt Lake	\$28,532,945	57.4%	16	Sevier	\$329,993	0.7%
2	Summit	\$4,177,758	8.4%	17	Carbon	\$302,307	0.6%
3	Utah	\$3,866,106	7.8%	18	San Juan	\$230,996	0.5%
4	Davis	\$2,253,441	4.5%	19	Rich	\$146,310	0.3%
5	Weber	\$2,164,447	4.4%	20	Sanpete	\$135,952	0.3%
6	Washington	\$2,041,934	4.1%	21	Juab	\$131,713	0.3%
7	Grand	\$1,013,431	2.0%	22	Wayne	\$117,893	0.2%
8	Cache	\$828,685	1.7%	23	Beaver	\$107,832	0.2%
9	Iron	\$700,432	1.4%	24	Duchesne	\$95,001	0.2%
10	Garfield	\$537,123	1.1%	25	Millard	\$73,176	0.1%
11	Wasatch	\$419,173	0.8%	26	Daggett	\$72,117	0.1%
12	Box Elder	\$374,362	0.8%	27	Morgan	\$24,612	0.0%
13	Uintah	\$356,721	0.7%	28	Emery	\$19,165	0.0%
14	Kane	\$349,572	0.7%	29	Piute	\$4,434	0.0%
15	Tooele	\$341,451	0.7%	STATE OF UTAH		\$49,749,082	100.0%

TOTAL TOURISM-RELATED TAX REVENUES



SOURCE: Utah State Tax Commission



Tourism related tax revenues include monies collected from the county-option tourism taxes including the transient room tax, prepared foods tax (restaurant tax), and short-term vehicle lease tax (car rental tax). In 2001, the only tax rate change was the adoption of the prepared foods tax in Beaver County, which significantly increased their total tourism related tax revenues. All 29 counties have adopted the 3% transient room tax (the rate in Salt Lake County is 3.5%). 25 counties have adopted the prepared foods tax at the 1% level (Emery, Millard, Piute, and San Juan have not adopted the tax). Three counties have adopted a 3% short-term vehicle lease tax (Duchesne, Grand, and Uintah) and seven counties have adopted a 7% short-term vehicle lease tax (Davis, Morgan, Rich, Salt Lake, Sevier, Washington, and Weber).